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Accelerate the revolutionary advances of the CPP for the celebration of its 40th anniversary

Message of the Central Committee of the Communist Party of the Philippines

We celebrate with boundless joy the 39th anniversary of the reestablishment of the Communist Party of the Philippines (CPP) under the theoretical guidance of Marxism-Leninism-Mao Zedong Thought (Maoism) on December 26, 1968. Since then, our beloved Party has become tempered in the crucible of revolutionary struggle and has accumulated brilliant victories in acting as the vanguard of the proletariat and in leading the Filipino people's struggle for national liberation and democracy against US imperialism and the local exploiting classes of big compradors and landlords.

We render the highest tribute to our revolutionary martyrs and heroes for their supreme sacrifice and exemplary service to the people. We salute all Party cadres and members, revolutionary forces and people for all their hard work and sacrifices in the revolutionary struggle. We have won great victories because we are not daunted by either tremendous odds or by mistakes or shortcomings. We gain strength from overcoming dangers and difficulties, engaging in criticism and self-criticism and rectifying errors and weaknesses.

Once more we collectively renew our resolve to carry forward through protracted people's war the national democratic stage of the Philippine revolution. We are determined to complete this stage through the nationwide seizure of political power in order to reach the stage of socialist revolution and begin the long transition to

communism. Most urgently, we wish to prepare the celebration of the Party's 40th anniversary in the coming year by accelerating advances in an all-round way in the revolutionary struggle of the proletariat and the entire people under the leadership of the Party.

The imperialists and the local reactionaries keep on prating that the CPP and the revolutionary movement of the people ought to be dissuaded from waging armed revolution because of the betrayal of socialism by the modern revisionists, the subsequent disintegration of the revisionist regimes, and all the ideological, political, economic, cultural and military offensives of the imperialists headed by the US.

They obfuscate the fact that the Party has remained firm in its Marxist-Leninist and anti-revisionist position, that it understands and acts upon the concrete semi-colonial and semifeudal conditions

in order to carry out the new democratic revolution, and that the offensives of imperialism and its puppets have only served to aggravate the oppressive and exploitative conditions and incite the people to wage armed struggle and other forms of revolutionary struggle. The enemies of the revolution overlook the fact that the Party and the revolutionary movement have prevailed over all the bloody campaigns of suppression carried out by the Marcos fascist regime and the subsequent pseudo-democratic regimes.

The Arroyo regime, especially the fake president and her top military henchmen keep on bragging that they can destroy or cause the strategic defeat of the CPP, the New People's Army and all other revolutionary forces before 2010. Instead, the revolutionary forces are growing in strength and advancing because of the ever worsening crisis of the world capitalist system and the domestic ruling system, and the Arroyo regime's detested policies of national betrayal, class exploitation, corruption and state terrorism. In the midst of all this, the Party's ceaseless ideological, political and organizational work nurture the revolutionary forces' continued growth and development.

I. Crisis of imperialism and resistance of the world's peoples

To describe the current crisis of the world capitalist system, it is necessary to start with the US' main responsibility for such a crisis. The US has been chiefly responsible for pushing the policies of "neoliberal" globalization and the global war of terror. These policies are aimed at solving, but have instead resulted in, aggravating and deepening the crisis of monopoly capitalism.

Since the end of the 1970s, the US has adopted the policy of "neoliberal" globalization supposedly to overcome the problem of stagflation which is the simultaneous occurrence of stagnation and inflation and the aggravation of one by any attempt to counter the other. This problem is blamed on government social spending and rising wage levels. Thus, the declared bias of neoliberalism is to oppose Keynesian state intervention by way of public investments and to give free rein to the "free market," with minimal intervention by the Federal Bank through the regulation of interest rates and money supply.

The main thrust of neoliberalism is to use the state to press down social spending and wage levels and deliver to the monopoly bourgeoisie huge tax cuts, military contracts, public assets, unlimited credit, investment insurance and subsidies and to provide them political and military backing in their drive to expand and secure sources of raw materials, markets, fields of investments and all kinds of monopoly advantages.

Under the "neoliberal" slogan of "free market" globalization, the imperialist countries headed by the US have pressed the underdeveloped countries to denationalize their economies. The monopoly

bourgeoisie have thus accelerated the concentration and centralization of capital in their hands through the extraction of super-profits and debt service, the liberalization of capital flows and trade, the privatization of state assets and social services, and deregulation to the detriment of the working people, women, children and the environment.

In order to press down wage levels within their national borders, the US and other imperialist countries have eroded workers' rights and have deployed runaway shops abroad for the manufacture or semimanufacture of consumer goods and the outsourcing of labor-intensive services. They have tended to keep within their national borders the capital-intensive and highly profitable industries. But the accelerated exploitation of the working class and the oppressed peoples and nations has had the effect of stunting the growth of the global market and thus worsening the crisis of overproduction.

The real global economy has become depressed through several rounds of economic and financial crisis. This has been most flagrant for a long time in most countries of the world, and has especially become the general run of underdeveloped countries. But even the US, its imperialist allies and some third world countries like China would have long appeared as being in a state of depression if not for the massive use of local and foreign borrowing to evoke economic growth even if lopsided. The depression has been concealed by ever rising levels of global debt that cover budgetary and trade deficits to maintain the flow of trade and investments in favor of the imperialist countries and a few

third world countries, and keep up abstract rates of growth above the real economy.

The US has been the most abusive in using local and foreign borrowing in order to cover budget and trade deficits, conjure the illusion of growth and maintain itself as the biggest market for consumer goods in the world. The US national debt has leaped from the 2001 level of US\$5.7 trillion to the current level of US\$9.1 trillion. The rapidly growing budget deficit has been brought about by huge tax cuts, military-industrial contracts and war expenditures in Iraq and Afghanistan.

The US trade deficit has reached the annual level of US\$800 billion. This has been aggravated by import accommodations to its industrial capitalist allies and by taking advantage of cheap labor in China, India and Southeast Asia. The US dollar is used wantonly to finance consumer imports, in effect making the US the world's biggest debtor. At their own level, American consumers have been pushed into heavy borrowing for consumption in the face of stagnation and the decline of US industry and employment.

At the time of the high-tech bubble from 1995 to 2000, American workers lost regular jobs but made up for this with part-time jobs in the economy's expanding service sector. Quite a number of them also borrowed money to engage in stock speculation and allowed investment firms to use workers' pension funds for the same purpose. After the bursting of the high-tech bubble in 2001 until 2005, the US monopoly bourgeoisie promoted the housing bubble by offering low-interest subprime mortgage rates with little or prac-

tically no collateral and misleading the mass of homeowners to borrow money for consumption spending against the inflated value of their mortgaged homes.

US banks have repackaged the mortgaged loans and sold them to foreign banks as components of so-called structured investment vehicles, thus globalizing the scale of potential financial crisis due to mortgage defaults.

The US consumer market is contracting due to the crisis of over-production, the financial crisis generated by excessive US national debt, the rapid decline of the US dollar, the mortgage meltdown and the rise of energy cost. It is expected to cause a starkly severe recession in the US and other imperialist countries next year. The contraction of the US consumer market is causing drastic reductions of orders from China, India, Southeast Asia and other countries producing low value-added semimanufactures for imperialist countries.

The underdeveloped countries are not at all benefited by the decreasing value of the US dollar because they have no substantial alternative source of foreign exchange income. Having been tied to the US dollar, their own currencies are even more vulnerable to depreciation. Their US dollar reserve holdings, if any, are in the first place mainly borrowings for the importation of consumer goods and for balancing current accounts. They are being eroded rapidly.

The attempt of the Bush regime to stimulate the US economy through increased military production and accelerated borrowing has been a big failure. Military production, characterized by high-cost high technology has limited capacity for generating jobs. At the same time, the American public can no longer accept the high cost of war production and the wars of aggres-

sion in terms of American lives and money in the quagmires of Iraq and Afghanistan. The war budget of the US in both countries has reached the level of more than US\$600 million and the accumulated costs of war in Iraq alone have reached US\$1 trillion, if both the operational and related costs are included.

Further gargantuan US borrowing is knocking hard against the limits. The rising levels of the US national debt, debt service and budget and trade deficits have seriously undermined global confidence in the US dollar and is causing its depreciation. It is estimated that the US has to increase interest rates and draw down international credit by at least US\$2 trillion in order to stem the global loss of confidence in the US dollar.

Even as the American public is becoming increasingly averse to the wars of aggression in Iraq and Afghanistan, such giant corporations as those in the military-industrial complex and in the oil business persist in pushing the US to remain at war and in maneuvering for the building of permanent US military bases in the Middle East and Central Asia.

US persistence in Iraq and Afghanistan and the waste of its human and material resources there have far-reaching adverse consequences to the US in its own homeground and abroad. These are exacerbating contradictions within US society and with its imperialist allies. The oppressed peoples and nations recognize the overextension and weaknesses of the US and are encouraged to fight for national and social liberation.

In the US and other imperialist countries, the monopoly bourgeoisie are using all kinds of strategic and tactical maneuvers to deflect attention from the root causes of exploitation and oppres-

sion and to push down the working class, immigrants, the youth and women. They play up and generate chauvinism, racism and fascism in order to divide the working class and to pit the people in the imperialist countries against those in other countries. They use the mass media and various forms of entertainment to conjure the illusion of democracy and deflect public attention from the most important social issues.

But the working class and the people in the imperialist countries are fighting back against the monopoly bourgeoisie. There have been widespread strikes by workers, protest rallies and marches by migrants and militant street actions by the youth in various imperialist countries. These are still sporadic, however, even as at certain times in certain countries outbursts of public outrage are robust and widespread. They manifest favorable conditions for the steady development of proletarian and other progressive forces. The imperialist powers are still able to shift the burden of the crisis mainly to the oppressed peoples and nations in Asia, Africa and Latin America.

The imperialist powers are still united in exploiting and oppressing the proletariat and peoples of the world, especially the third world. They have an abundance of mechanisms to harmonize their interests against their common adversaries. Such mechanisms include the IMF, the World Bank, the WTO, the UN and its Security Council, regional and bilateral trade agreements, the NATO and other regional as well as bilateral military treaties and alliances.

The US has kept its position as the sole power due to its financial, technological and military power, which remains unsurpassed by any of its allies. Despite increasing weakness, the US dollar still main-

tains its position as the currency of the world. But there are now certain breaches in its dominance as some oil-producing countries and other big holders of US currency and debts have started to reduce their dollar transactions.

The contradictions among the imperialist powers are steadily building up. The increased number of imperialist powers and aspirants for imperialist status has made the world too small for their competition and rivalry. The US is taking advantage of its position as the sole superpower and has been most aggressive and provocative in pursuing its ultranational interests, increasingly at the expense of its own allies. At the same time, the US is exposing its own overextension and weaknesses, which embolden other imperialists to undertake initiatives at variance with those of the US.

Among its imperialist allies, the US is resented for its dominance over the world financial system, major sources of oil and other natural resources, fields of investments and markets. France, Germany, Russia and China have shown serious differences with the US in major issues and in positions regarding particular regions of the world. They have differences with the US over the US invasion and occupation of Iraq and Afghanistan and over the current US monopoly of the spoils of war.

The imperialist countries have differences over the issues of Palestine, Lebanon, Syria, Iran and other countries in the Middle East. Together with the border states in Central Asia, Russia and China have formed the Shanghai Cooperation Organization (SCO) to counter US incursions in Central Asia. The imperialist powers have differing positions regarding various issues in-

volving East Asia, South Asia, Africa and Latin America. The relative balance of power among the imperialists is increasingly showing strain and instability. While the US is preoccupied with Iraq, other imperialist powers are strengthening their economic and political positions elsewhere.

The main contradiction in the world is still that between the imperialist powers and the oppressed peoples and nations. This is most acutely manifested by the unbridled exploitation and oppression by the imperialists with the assistance of their dependent and puppet states and also manifested by the people's resistance through revolutionary armed struggle and other forms of struggle.

The wealthiest 20% of the world's population are in the imperialist countries, and the poorest 20% are in the third world countries. The income of the former was 30 times larger than that of the latter in 1960. Then it became 74 times larger in 1995. Today, the overwhelming majority of the people live on less than two dollars a day and are concentrated in the third world. In 1973, third world debt was only US\$130 billion. In 1982, it jumped to US\$612 billion. In 2006, it further leaped to US\$3.2 trillion. Imperialist plunder has caused the rapid impoverishment and indebtedness of the peoples of Asia, Africa and Latin America.

Revolutionary armed struggle, especially in the form of protracted people's war, is the most important weapon in achieving national liberation and democracy against imperialism. It responds to the central question of seizing political power and breaking away decisively from the clutches of imperialism and feudalism. There are peoples perse-

vering in armed revolution as in Colombia, the Philippines, India, Tamil Eelam and Turkey. In Nepal, the armed revolutionaries have declared the end of their people's war and wish to take power through a sequence of parliamentary struggle and popular insurrection. If frustrated, they are expected to resume people's war.

It is due to the demands of the people for national independence and democracy that certain governments act in an anti-imperialist way. The Iraqi government under Saddam Hussein tried to play off some imperialist powers against the US until the latter decided to unleash a war of aggression. The government of Venezuela under Hugo Chavez dares to challenge US imperialism in order to gain the support of the people and carry out reforms. The governments of China, Cuba and the People's Democratic Republic of Korea have consistently invoked national independence and the socialist aspirations of the people in order to contend with US imperialism.

The crisis conditions of the world capitalist system are favorable for waging revolution, especially in Asia, Africa and Latin America, where the main contradiction in the world are presently in sharpest focus. Armed revolution will become the main current of the world as a result of the intensification of the main contradiction in connection with the intensification of contradictions within imperialist countries and among imperialist powers. Crises do not automatically spell the advance or victory of revolution. They are objective conditions, which the subjective revolutionary forces and the people must exploit in order to strengthen themselves and defeat their enemy.

II. Rapidly rotting ruling system under the Arroyo regime

The semicolonial and semifeudal ruling system in the Philippines is in chronic crisis. It is rotten to the core and is always weak and unstable as it is afflicted by the three evil forces of foreign monopoly capitalism, domestic feudalism and bureaucrat capitalism. It is thus vulnerable to the crisis of the world capitalist system.

Under the policy of "neoliberal" globalization, the ruling system has become far weaker than ever before politically and economically. It is a big lie for the Arroyo regime to describe the puppet republic as being strong or the Philippine economy as ever growing toward "first world" status.

The puppet state is obliged to give up all pretenses to national industrialization and land reform. It is against using public resources and encouraging Filipino entrepreneurs to engage in national industrial development. It has reduced land reform to lopsided commercial transactions between landlords and tenants and outright commercial conversions of agricultural lands and crops. It has allowed the so-called stock distribution option to take the place of land reform. It has reclassified lands in order to exempt them from coverage by the so-called comprehensive agrarian reform program. More money has been spent on bureaucratic operations of the department of agrarian reform than on the transfer of land to landless tillers.

The puppet state has drastically removed national restrictions on foreign investments. These are mainly in the field of financial services, trade, tourism, export-oriented semimanufacturing, plantations and mining. It has brought down tariff walls and allowed multinational firms to dump their

agricultural and manufactured surpluses in the country. Agricultural production for local consumption has declined from an average of 1,509 kg/person/year in 1979-81 down to 1,100 kg/person/year in 2000-02, thus making the country a net food importer. Its dependence on food imports increased tenfold in annual import volumes from 1991-95 to 2001-03. Agricultural and mineral products are exported in greater volume but at prices lower than in the past because of the glut in the global market. Net export income from the re-export of semimanufactures from the reassembly and packaging industries is small because these contain mostly imported overpriced components.

The trade deficit is ever growing from year to year, averaging more than US\$8 billion annually from 2001 to 2006. The costs of consumption-driven imports are constantly rising. Export income plus remittances of overseas contract workers cannot cover the costs of imports. The state always goes into huge budgetary deficits, which the Arroyo regime tries to reduce by increasing the tax burden on the people. Heavy spending for debt service and bureaucratic, military and other counterproductive activities is also rising above the ability of the state to collect tax revenues. The collection of customs duties has gone down due to trade liberalization and corruption. Internal revenue tax collection targets mainly the toiling masses and the fixed-income middle social strata. It is declining because of the depressed economy, with a high rate of real unemployment and underemployment.

But from year to year, the illusion of economic growth is con-

jured through local and foreign borrowing and also through the attraction of foreign portfolio investments in the stock and bond markets. The worsening global economic and financial crisis being generated by the rapidly growing US national debt, the US mortgage meltdown and runaway military expenditures are bound to put a squeeze on global credit for the Philippines and lessen orders for raw materials and its low value-added semimanufactures due to the growing recession and contraction of the US consumer market. The current level of foreign debt at more than US\$64 billion and that of the foreign trade deficit are expected to leap next year, spelling a serious financial crisis and a sharp decline in the value of the peso.

The socioeconomic crisis under the Arroyo regime is worsening rapidly. The rate of accumulated unemployment is growing. Incomes of the toiling masses of workers and peasants and even the middle social strata are being pressed down hard. Prices of basic goods and services are rising as a result of the rising costs of imported equipment, fuel and other inputs. The costs of basic services, such as education, health, electricity, water and transport are rising as the social infrastructure is breaking down and profit-taking runs rampant. The broad masses are reeling from the pressures of the crisis and the rising rates of exploitation. These are generating social unrest.

The broad masses of the people are enraged that foreign monopoly interests, highly placed bureaucrats and big compradors and landlords have accelerated the rate of exploitation and plunder of the country's natural resources. The net income of the top 1,000 corpora-

tions increased by 327% from 2001 to 2005, with their profits increasing by 20% annually.

The Filipino people are widely and deeply offended by the puppetry of the Arroyo regime to the US, Japan and other imperialist powers, by the unbridled corruption of the ruling Arroyo family and its cronies, by the regime's mendacious claim that the Philippines is ascending to "first world" status even as it is further deteriorating as a backward third world country, and by the brutal actions of the police and military to suppress workers' strikes, to drive away the peasants and national minorities from their homes and farms, to persecute and eliminate the legal patriotic and democratic movement, and to break up the protest actions of the working people and other social sectors.

Eighty percent of the people or around 65 million Filipinos live on the peso equivalent of less than two US dollars per day. The toiling masses of workers and peasants are living in grave conditions of poverty and misery. Eighty percent of the population share half of the national income, while only 20% enjoy the other half. The impoverished masses are most desirous of revolutionary change. The urban petty-bourgeoisie are also hard-pressed by the social and economic conditions and are increasingly drawn to the revolutionary cause.

Overseas contract workers who now remit to the Philippines a total of US\$15 billion annually are responsible for the biggest chunk of foreign exchange income which the ruling system appropriates. But they deeply regret the fact that because of severe exploitation and the underdevelopment of their country, they are compelled to seek job opportunities abroad at low wage levels and without the rights enjoyed by workers of the host

country. They resent the fact that they have to leave their families and that the reactionary government exacts exorbitant fees from them and does not give them any protection and support abroad.

The socioeconomic crisis is fueling the political crisis of the ruling system. The space for mutual accommodation among competing reactionaries is shrinking, whipping up the Arroyo regime's penchant for monopolizing bureaucratic loot. The regime's unbridled corruption is easier exposed to the people. The progressive forces and the reactionary opposition forces are quick to denounce the regime. Even within the regime, a conflict of business and political interests is growing between the closest relatives and cronies of the fake president, on the one hand, and some of her allies within the ruling coalition of KAMPI, Lakas-NUCD and Nationalist People's Coalition, on the other.

The reactionary armed forces are more factionalized than ever before. Majority of the officers and enlisted personnel are contemptuous of the Arroyo regime and the pro-Arroyo officers at the top of the chain of command. Anti-Arroyo officers are confident that the majority of officers are ready to withdraw military support from the Arroyo regime and shift this to a council of civilian leaders as soon as a gigantic mass action arises against the regime.

Although praiseworthy for denouncing the crimes of the Arroyo regime, the Trillanes takeover of the Manila Peninsula Hotel last November 29 did not take into account the people's clamor for change under the principle of civilian supremacy, and the necessary sequence of mass mobilization and military withdrawal of support from the regime.

The Arroyo regime is prepared

to go into a bloodbath in order to keep itself in power. It is therefore necessary for the broad range of opposition forces to engage in mass mobilizations that can discourage the use of armed force by the regime, as in the overthrow of Marcos and Estrada in 1986 and 2001. It is also necessary for the anti-Arroyo military and police officers to develop ways of paralyzing the pro-Arroyo chain of command and attracting the rank and file to their side. Among the problems faced by all anti-Arroyo forces are the vacillations of the anti-Arroyo reactionary forces and the counter-intelligence network within the reactionary armed forces.

But if, despite the people's detestation, the Arroyo regime can manage to stay in power up to 2010 because the broad legal united front cannot yet oust it, the broad masses of the people will be repelled by the prospect of suffering under one reactionary regime after the other through elections and will increasingly rely on people's war to change the entire ruling system. The armed revolutionary movement can thus benefit from the failure of the broad legal united front to oust the Arroyo regime.

While various anti-Arroyo currents are developing for patriotic reasons within the reactionary armed forces, pro-Arroyo officers at various levels are feasting on opportunities to steal state funds, cheat the troops of their basic supplies and participate in, or connive with, criminal syndicates in illegal logging, smuggling, gambling, illegal drug trafficking, prostitution, murder-for-hire, robbery and kidnapping-for-ransom. As a whole and in essence, the reactionary armed forces are a mercenary and corrupt establishment that needs to be smashed by the armed revolution.

The Arroyo regime has unleashed Oplan Bantay Laya I from 2002 to the end of 2006 and Oplan Bantay Laya II since the onset of 2007, and has engaged in gross and systematic violations of human rights in order to comply with the US global war of terror and receive US military and economic assistance, to keep the loyalty of the officers and men of the military and police forces, to intimidate and suppress both the revolutionary forces and the legal opposition, and to ensure the regime's political survival.

Oplan Bantay Laya is two-pronged. One prong consists of military campaigns of suppression by means of concentrating forces on a number of guerrilla fronts and engaging in barbarities to harm and thereby intimidate the people and drive them off the land to make way for plantations and mining companies. Another prong engages in extrajudicial killings, enforced disappearances and torture of unarmed legal activists, including leaders of workers, peasants, urban poor, youth, women, journalists, religious, lawyers and human right advocates.

The Arroyo regime has become isolated in the Philippines and abroad because of the barbarities committed by the military and police forces against the people in their hundreds of thousands in the countryside and the extrajudicial killings and disappearances of more than a thousand unarmed progressive legal activists. And yet the regime perversely believes that it can break up the armed revolutionary movement by complementing bloody campaigns of military suppression with offers of so-called amnesty and rehabilitation funds. It is well-known to the people that officers of the reactionary armed forces fabricate lists of ghost surrenderees and pocket the money.

The socioeconomic and politi-

cal crises and the extreme puppetry, corruption, mendacity and brutality of the Arroyo regime have only served to outrage the broad masses of the people and incite them to oppose the regime and engage in various forms of resistance. The crimes of the Arroyo regime have been exposed on a global scale and the most respected institutions, parties, mass organizations and personages have manifested their international solidarity with the Filipino people in their struggle for national independence, democracy, social justice and peace.

The Arroyo regime is extremely isolated. It is ripe for ouster by the broad masses of the people and a broad united front of anti-Arroyo forces. The patriotic and progressive forces of the toiling masses and the middle social strata are the most determined in ousting Arroyo, as they have borne the main brunt of economic hardships, extrajudicial killings, disappearances and torture in detention. But a great deal of vacillation is setting in among the anti-Arroyo reactionary parties, because some of their leaders have started to set their sights on the 2010 elections. Whether or not the legal mass movement succeeds in ousting the Arroyo regime, the legal democratic forces are gaining strength and experience in moving for the ouster of the regime.

The armed revolutionary movement of the Filipino people is gaining strength and advancing through tactical offensives and mass work. It stands to benefit from the continuing failure of the broad legal united front to oust the Arroyo regime because of the conspicuous vacillations of the anti-Arroyo reactionary forces. It becomes increasingly recognized as the principal way of changing the entire ruling system. At the same

time, it continues to inspire the progressive forces of the legal democratic movement to persevere in struggle. It encourages mass activists to join the people's war. Most importantly, it accumulates the armed strength necessary for ultimately overthrowing the entire ruling system.

The Bangsamoro are persevering in the struggle for self-determination against the Manila government. There are recurrent reports that this government and the Moro Islamic Liberation Front (MILF) are about to enter into a "final peace" agreement. But MILF leaders are always quick to announce that they remain vigilant to the treachery and tricks of the Manila government. They have made clear that they would not follow the path of capitulation taken by some key leaders of the Moro National Liberation Front (MNLF).

Our Party remains firm in recognizing and supporting the Moro people's right to national self-determination and full control over their ancestral domain. We maintain our alliance with the revolutionary forces of the Moro people and urge the Moro people to be vigilant against maneuvers of the US and other imperialist powers to establish political, economic and military footholds in Mindanao in collusion with the oppressive Manila government.

Prospects are presently dim for the resumption of formal talks between the Manila government and the National Democratic Front of the Philippines (NDFP). The main reason is that the Arroyo regime has been responsible for the 12 impediments listed by the NDFP and has shown no inclination to get rid of these impediments.

The regime has been repeating the line that the NDFP must first capitulate under the guise of indefinite ceasefire, which sets aside

the people's demand for social, economic and political reforms, and gives full play to "localized peace talks" aimed at fragmenting the revolutionary movement and to the sham offer of amnesty and rehabilitation money aimed at bribing surrenderees and eventually murdering them.

The Arroyo regime expects to destroy or drastically weaken the

armed revolutionary movement in the remaining years up to 2010. On the contrary, the armed revolutionary movement will gain in strength and will be in a position to deliver more deadly blows to the lameduck regime amidst the far worsened crisis of the ruling system.

The Filipino people have all the reason to carry out the new-democratic revolution through protract-

ed people's war. They are being subjected to intensified oppression and exploitation. They are obliged to fight for their national and democratic rights and interests. And they can avail themselves of the crisis conditions of the ruling system for building their revolutionary strength and advancing from one stage of the revolutionary struggle to another.

III. Steady rise of the revolutionary forces and mass movement

Imperialists and Filipino reactionaries keep on wishing for the disintegration of the Communist Party of the Philippines consequent to the full and open restoration of capitalism by the revisionist-ruled regimes. They are oblivious of the fact that the Party was reestablished in 1968, precisely to uphold Marxism-Leninism-Mao Zedong Thought, repudiate modern revisionism then being promoted by the Communist Party of the Soviet Union, and root out subjectivism and opportunism in the history of the Communist Party of the Philippine Islands (1930) and the merger party of the Communist and Socialist Parties (1938).

We have gained revolutionary strength and rich experience in life-and-death struggles against the fourteen-year Marcos fascist dictatorship, and against the succeeding regimes that have pretended to be democratic and yet have been so brutal in trying to suppress the people's democratic revolution. The Arroyo regime is definitely chasing a pipe dream when it threatens to destroy or strategically weaken the Party and the revolutionary movement before 2010. The Party is taking advantage of the ever worsening crisis of the ruling system, the all-round bankruptcy of the Arroyo regime,

and the accumulated revolutionary strength and experience of the people and all revolutionary forces.

The Party adheres to the Marxist-Leninist-Maoist line in philosophy, political economy, social science, strategy and tactics of waging the national democratic revolution, building socialism and continuing the revolution under proletarian dictatorship. The line allows us to understand the laws of motion in nature and society and the past, present and future stages of social development.

All Party members are required to have education in the basic principles of Marxism-Leninism-Maoism and their concrete application in the history and current circumstances of the Philippines and the Filipino people. There are three levels of Party education available to all Party members. These are the basic, intermediate and advanced courses.

Every Party member is required to undergo the basic course of Party education. This involves the study of Philippine history, the basic problems of the Filipino people and the people's democratic revolution, as well as the basic principles of material and historical materialism, the political economy of capitalism and socialism, and revolutionary strategy and tactics. The

basic Party course provides every Party member the foundation for staying firm on the revolutionary path and for developing consciousness and the ability to wage revolution.

The intermediate course involves the analysis of general and specific experiences in the Philippine revolution in comparison with revolutionary experiences abroad, in the light of the teachings of Comrade Mao Zedong. Party members are encouraged to analyze and sum up the experience of their units and organs, identify major errors and weaknesses in certain periods and propose corrective measures.

The advanced course involves reading and study of the texts of Marx, Engels, Lenin, Stalin and Mao on dialectical and historical materialism, the political economy of capitalism and imperialism, socialist revolution and construction, the history of the international communist movement, strategy and tactics and the theory of continuing revolution under proletarian dictatorship.

At every level of theoretical and political education, Party cadres and members learn how to integrate the theory of Marxism-Leninism-Maoism with concrete conditions. They sharpen their un-

derstanding and application of materialist dialectics in developing their proletarian revolutionary standpoint, viewpoint and method. This is the essence of the Party's ideological building.

What makes Party cadres and members firm in revolutionary principles, flexible in policy and effective in practice is the guidance of Marxism-Leninism-Maoism and its conscious application in the concrete conditions of the Philippine revolution. Marxism-Leninism-Maoism does not fly over reality but penetrates it and unfolds its laws of motion through the application of materialist dialectics.

The Party is indestructible and is ever-growing because an ever-increasing number of Party members are recruited and undergo a system of theoretical and political education. Those who acquire this education are equipped with scientific knowledge and analytical ability to buttress their moral conviction for the just cause of social revolution.

Party cadres and members have benefited comprehensively and profoundly from the First and Second Great Rectification Movements. They have a full understanding of how the modern revisionists betrayed socialism, and how the imperialists used petty-bourgeois ideological currents to launch an anticommunist ideological offensive and mislead the toiling masses of the people about the nature and consequences of monopoly capitalism. They have rooted out the view of subjectivists that the Philippines has ceased to be semicolonial and semifuedal.

The Party is not simply driven by any abstract a priori knowledge or by an imagined future of socialism or communism. It considers, analyzes and acts on the concrete semicolonial and semifuedal conditions which oppress and exploit the

people. On this basis, it has adopted the general political line of people's democratic revolution led by the working class in order to fight and defeat imperialist and feudal domination. It does not skip any stage in the Philippine revolution. It seeks to win the stage of new democratic revolution through protracted people's war before it can reach the stage of socialist revolution.

In building the Party politically, cadres and members pursue conscientiously the general line of people's democratic revolution, and in this regard wield the revolutionary armed struggle and the united front as two powerful weapons for arousing, organizing and mobilizing the broad masses of the people against the imperialists and the local exploiting classes of compradors and landlords.

Both in the legal democratic movement and the armed mass movement, the Party now leads millions of people and operates in all the regions of the country, in more than 70 provinces out of the 81 provinces and more than 800 cities and municipalities. The New People's Army operates in 120 to 130 guerrilla fronts under the absolute leadership of the Party. Fluctuations in the number of guerrilla fronts are either due to consolidation or reorganization undertaken by the Party and the people's army or due to temporary adjustments in the face of concentrated attacks by enemy forces.

The reactionary armed forces can concentrate on no more than 10% of guerrilla fronts and no more than 300 to 600 of the more than 18,000 villages in the guerrilla fronts at any time. They are dumbfounded by the flexible tactics of concentration, dispersal and shifting used by the NPA. They have become fatigued by their own Oplan Bantay Laya which has run from

2002 to the present, and have become demoralized.

The Party follows the strategic line of people's war by encircling the cities from the countryside over a protracted period of time to accumulate armed strength through tactical offensives within the stages of strategic defense and strategic stalemate, until it becomes possible to seize the cities in a nationwide strategic offensive. Through people's war, the Party develops the basic alliance of the working class and the peasantry.

The Party integrates revolutionary armed struggle, agrarian revolution and base building. The NPA launches tactical offensives within the strategic defensive in order to annihilate enemy units and seize their weapons. Thus, it can grow from small to big and from weak to strong. It undertakes the minimum program of land reform and incrementally proceeds to the maximum program of distributing land to the tillers in order to carry out the agrarian revolution. Thus, the peasant masses join the armed revolution.

The Party engages in base building by forming mass organizations and organs of political power as well as a system of defense which includes full-time units of the NPA, militia units and self-defense units. Thus, backward rural villages can be turned into political, economic, military and cultural bastions of the revolution and can develop from guerrilla fronts into stable base areas.

A guerrilla front consists of guerrilla bases and several guerrilla zones. The headquarters guerrilla platoon in relative concentration secures the guerrilla base. Two other platoons secure the guerrilla zones. They are dispersed on a wider scale than the headquarters platoon which serves as the center of gravity for the entire guerrilla

front. They may be subdivided into squads and teams for wider dispersal. A typical guerrilla front has a total force of a company.

A guerrilla front has the capacity to launch tactical offensives by teams, squads and a platoon. The NPA provincial and regional operational commands are wielding the initiative and developing their capabilities to assemble oversized platoons and companies for the purpose of launching tactical offensives and other concentrated operations. The increasing victories of NPA platoons, oversized platoons and companies are preparing the emergence of stable base areas, the completion of the strategic defensive and the advance to the strategic stalemate.

The minimum program of land reform consists of reducing land rent, reducing interest rates, improving farm-gate prices and increasing agricultural and other forms of production through independent households and rudimentary forms of cooperation. It persists due to the limited strength of the guerrilla front, especially where a concentration of enemy military power is close.

But the consolidation and expansion of guerrilla fronts or the merger of guerrilla fronts into stable base areas increases the possibility for the revolutionary forces to carry out the maximum land reform program of confiscating land from the landlords and distributing this free to landless tillers. The NPA and the peasant masses have increased their capacity to dismantle large landholdings, plantations and ranches and allow equitable distribution of land to the tillers.

Base building involves the establishment of Red political power by building mass organizations and organs of political power and building armed strength. This can

be done when the revolutionary forces are able to completely dismantle the enemy organs of political power, drive away big exploiters and counterrevolutionaries and destroy encroaching enemy forces. However, when the enemy forces have overwhelmingly superior strength, the NPA forces adopt the tactics of evasion and observation to discover enemy weak points, with the objective of attacking the weak points of the enemy force.

The Party avails of the policy and tactics of the united front in order to enhance the strength of the revolutionary forces as well as to amplify and augment this further by broadening the united front.

The united front structure of the revolutionary forces involves the basic revolutionary alliance of workers and peasants, the progressive alliance of the toiling masses and the urban petty-bourgeoisie, and the patriotic alliance of progressive forces and the middle bourgeoisie.

The broad united front includes the temporary alliance with unstable and unreliable allies, usually from sections of the exploiting classes against the worst reactionary force that is most servile to the imperialists. The Party can engage in a broad united front with certain reactionary forces in order to isolate to the utmost and destroy the worst reactionary force in the shortest possible time. The Party and the revolutionary movement have benefited most from the broad united front by having in the first place a strong and effective united front of the revolutionary forces.

In the united front with reactionary forces, the Party is vigilant against any tendency of Right opportunism and against acts of betrayal by any reactionary ally. The

Party also guards against the danger of "Left" opportunism through a refusal to enter into any temporary alliance with unstable and unreliable allies who can facilitate greater access to the broad masses of the people and to certain resources and facilities that are otherwise not available.

The united front is an important and indispensable weapon for drawing in more people to the legal mass movement and to the revolutionary armed struggle. The legal united front can become so effective that the progressive forces can enlarge their legal parties and mass organizations, gain great political influence within the reactionary ruling system, win elections and participate in the peaceful removal of the worst reactionaries from power. Such is the success of the broad legal united front that some people are led to erroneously think that it is the way for the toiling masses to gain power. What is most important for the Party is to develop the united front for armed struggle and not exclusively for legal struggle.

The revolutionary united front policy and tactics directly and indirectly serve the armed revolution. It is easy to understand how the revolutionary forces work to develop the united front for armed struggle. This is bound by the general line of people's democratic revolution through protracted people's war. It needs to be explained that even the reactionaries help build the united front for armed struggle when they comply with the laws of the people's government, pay due revolutionary taxes, contribute resources including arms, cooperate with the armed revolutionary movement, and support socioeconomic projects and struggles for rights and reforms that benefit the people.

By way of promoting the legal

united front, the Party does not object to, and in fact, even encourages, the patriotic and progressive forces to undertake legal activities, including timely protest mass actions and electoral struggle. The Party itself has agreed to peace negotiations between the Government of the Republic of the Philippines (GRP) and the National Democratic Front of the Philippines (NDFP).

These negotiations amount to seeking alliance and truce for the purpose of giving course to social, economic and political reforms. Through these negotiations, the Party can discover whether the rul-

ing reactionaries or the reactionaries in the opposition are the better allies for effecting some needed basic reforms that encourage the mass movement for national and social liberation.

The principled position and conduct of the NDFP in the peace negotiations have served to propagate the program of the people's democratic revolution and raise the national and international standing and prestige of the revolutionary forces. Related to or independent of the peace negotiations, the NDFP has also done effective proto-diplomatic and diplomatic work, as well as international sol-

idarity work at the non-governmental level in order to gather moral and political support for the Philippine revolution as well as to contribute to the development of the international movement against imperialism and all reaction.

The Party has done its utmost to develop relations with Marxist-Leninist, Maoist and workers' parties in the spirit of proletarian internationalism and with people's parties, national liberation movements and mass organizations in the spirit of anti-imperialist solidarity, and in accordance with its international united front policy.

IV. Fighting tasks for all-round advance

We, the cadres and members, must do our best to carry out the fighting tasks of our beloved Party and make significant all-round advances in the Philippine revolution in the coming year. We must ensure that the Party gains greater strength and reaps more victories as the advanced detachment of the proletariat leading the Philippine revolution and serving the Filipino people. Thus, we shall be able to celebrate the 40th anniversary of the Party with utmost joy and with greater determination to advance further.

Ideologically, we must continue to build the Party under the guidance of Marxism-Leninism-Maoism. We must apply this in studying the international and domestic conditions, in summing up and analyzing our revolutionary experience, reviewing our work and engaging in criticism and self-criticism and setting forth the tasks in order to advance further.

We must be on guard against subjectivism, revisionism and op-

portunism and against all the petty-bourgeois anti-communist currents promoted by the imperialists and local reactionaries to lead the revolutionaries astray. We must raise the level of our theoretical and political education in the course of study and work meetings of units and organs as well as in the formal courses of Party education.

Politically, we must build the Party by realizing its leading role in the people's democratic revolution through protracted people's war. We must adhere to the general political line and oppose Right and "Left" opportunism. In this regard, we the cadres and members, must carry out well our tasks in our respective units and organs and in the specific field of work to which we are assigned.

We must be able to develop the armed struggle and the united front as weapons for defeating the enemy and advancing the revolution. From our political work, we must be able to recruit into the

Party ever larger numbers of candidate-members from the ranks of activists in mass organizations of the toiling masses and the urban petty-bourgeoisie.

Organizationally, we must build the Party under the principle of democratic centralism and oppose bureaucratism and ultra-democracy. Our Party is under centralized leadership, which at the same time is based on democracy. We must ensure the leadership of cadres, at various levels up to the Central Committee, who are deeply dedicated to the revolutionary cause of the people, who are competent ideologically, politically and organizationally and who know how to draw facts and correct ideas from the organizations that they lead.

We must draw an ever increasing number of members from the revolutionary mass movement. We must recruit a large number of workers, peasants and educated youth from the mass organizations and from the people's army. The more Party members we have, the

wider and stronger the base of our Party is and the more capable we are of performing the various tasks in the revolution. We need tens of thousands of Party cadres and hundreds of thousands of Party members to win complete victory in the people's democratic revolution and commence the socialist revolution.

In carrying out the revolutionary armed struggle, we must accelerate the tactical offensives against the enemy in order to seize more weapons for building more units of the people's army and for strengthening the various levels of command from the guerrilla front to the provincial and regional commands and, further on, to the national operational command. We must be able to annihilate more units of the enemy forces in order to gain strength and experience for destroying even more of them until we can seize nationwide political power.

In combat, we use our firepower to annihilate the targeted enemy unit. But when the enemy troops lose their capability to fight or they voluntarily surrender, they must be treated leniently and the wounded must be provided with medical care in accordance with the NPA's Rules of Discipline, the Comprehensive Agreement on Respect for Human Rights and International Humanitarian Law (CARHRIHL) and the Geneva Conventions. We fight the enemy forces and spies in order to uphold, protect and promote the rights and interests of the people. We must always take care that civilians and noncombatants are not harmed.

It is by implication a recognition of our status of belligerency under the Geneva Conventions that international agencies and other entities and even the enemy forces expect us to respect human rights and humanitarian conduct under international law and develop the

legal and justice system of the people's democratic government. We must adhere to the right of any accused to due process in dealing with criminal suspects in connection with their arrest, pre-trial investigation and trial, with due care for the security of revolutionary personnel. At the end of the trial, there must be a case summary and decision. In cases where the criminal or suspects are armed and dangerous, we must explain to the public through a formal complaint why they are likely to be given battle by the arresting unit of the people's army or militia if they do not surrender themselves to any authority of the people's democratic government.

We must carry out land reform as the main component of the democratic revolution. We must be able to advance from the minimum land reform program to the maximum and thereby carry out agrarian revolution in as many areas as conditions permit. We must arrest, investigate, try and punish the feudal tyrants and their running dogs that have violated the laws of the people's democratic government. We must defeat the feudal exploiters who oppose the land reform policy of the Party and the revolutionary mass movement.

We must increase the number of guerrilla fronts where possible in order to counter attempts by enemy forces to concentrate on and destroy some guerrilla fronts at every given time. Guerrilla fronts and subsequently, stable base areas must emerge on the basis of an ever widening and deepening mass base, the growth of the people's army, the militia and self-defense units, and the training of cadres and mass activists in the various aspects of social life.

Due to "Left" opportunist errors in the past, including military adventurism and putschism, we

have had to emphasize such crucial aspects of mass base building as painstaking mass work and the setting up of mass organizations and organs of political power. But having already formed these, we must hasten to build further the units of the people's army, the militia and self-defense units in order to develop more armed strength and stability in the guerrilla bases or in stable base areas.

We must use our armed strength to destroy the political power of the enemy and drive away the oppressors. We must dismantle the intolerable economic power that these oppressors have in the form of big landholdings, plantations, mines, logging and other enterprises, unless the management of these firms comply with the policies and laws of the people's government regarding fair wages for workers and revolutionary taxation. Through the organs of political power and mass organizations, the Party must lead all aspects of social life and transform backward villages into political, economic, military and cultural bastions of the revolution.

We must develop the revolutionary united front on a national scale. Within the national united front, we must build the antifeudal united front. The Party and the proletariat must unite with and rely mainly on the poor peasants and farm workers, win over the middle peasants, neutralize the rich peasants and take advantage of splits among the landlords in order to isolate and destroy the power of the feudal despots and their running dogs.

We must always ensure that the basic worker-peasant alliance, the alliance of progressive forces and the alliance of patriotic forces are strong. Thus we can have a strong basis for broadening the united front as to include temporary, un-

stable and unreliable allies from the reactionary classes in order to isolate to the utmost and destroy the power of the worst reactionary clique, which is now that of Arroyo.

We must do our best to effect the ouster of the Arroyo regime through the broad united front. But if the Arroyo regime cannot be ousted because the anti-Arroyo forces in the military could not paralyze or overpower the pro-Arroyo chain of command, the effort of the broad united front to isolate and weaken the Arroyo regime would still be useful in helping to create conditions favorable to the tactical offensives that the NPA can freely undertake in the countryside. If the anti-Arroyo military officers press hard against the regime and the latter is compelled to deploy more troops in the national capital region and other urban areas, the people's army will face less obstacles in launching tactical offensives in the countryside.

The Party must carry out effective international work in support of the Filipino people in their struggle for national liberation and democracy. We must improve our work among Filipino overseas contract workers, immigrants and second or late generations of Filipinos abroad. We must develop their interest in the intensification of people's struggles against the escalation of exploitation and oppression by the imperialists and the Filipino reactionaries.

We must develop the closest of relations with Maoist parties and cultivate relations with other foreign communist and workers' parties on the basis of Marxism-Leninism or anti-imperialist solidarity. We must encourage relations of patriotic and progressive Filipino organizations and institutions with their counterparts abroad. We must always be active in promoting the international united front against imperialism and all reaction and in strengthening organizations and movements on various concerns in

the struggle of the world's peoples for greater freedom, democracy, social justice, development and world peace.

We must avail of the peace negotiations with the GRP not only as a way of seeking just peace through social, economic and political reforms but also as a way of informing the peoples of the world about the conditions and the just demands of the Filipino people, thereby gaining worldwide support for the Philippine revolution. Thus, the peace negotiations serve a good purpose whatever their current status or final outcome.

We must continue through the NDFP to seek recognition for the status of belligerency of the people's democratic government and revolutionary forces of the people. We must develop proto-diplomatic and diplomatic relations in the long preparation for the victory of the people's democratic revolution and the establishment of the People's Democratic Republic of the Philippines.

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